

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, APRIL 9, 2019

SCC-CLERK'S OFFICE
DOCUMENT CONTROL CENTER
2019 APR - 9 A 11:05

APPLICATION OF

VIRGINIA ELECTRIC AND POWER COMPANY

CASE NO. PUR-2019-00049

For approval and certification of electric facilities:
Mt. Storm-Valley Line #550 kV Transmission Line Rebuild

ORDER FOR NOTICE AND HEARING

On April 1, 2019, pursuant to Virginia Code ("Code") § 56-46.1 and the Utility Facilities Act, Code § 56-265.1 *et seq.*, Virginia Electric and Power Company ("Dominion" or "Company") filed an application and supporting documents for approval and certification of electric facilities ("Application") with the Virginia State Corporation Commission ("Commission").

Through its Application, Dominion seeks to rebuild, entirely within its existing right-of-way, approximately 64.5 miles of its existing Mt. Storm-Valley 500 kilovolt ("kV") Line #550, of which 30.9 miles are located in the Commonwealth of Virginia (in Augusta and Rockingham counties) with the remaining portion of the line located in West Virginia (collectively, "Rebuild Project").¹

Dominion asserts that the proposed Rebuild Project is necessary to maintain the structural integrity and reliability of its transmission system and to provide reliable electric service to its customers in the area.² Dominion considered no alternatives to the proposed Rebuild Project because the existing corridor is adequate to construct the proposed Rebuild Project and no new

¹ Application at 2, Appendix at 156, 205. Dominion represents that it is seeking certification of only the portion of the line that is within Virginia. Application at 2, fn. 1.

² *Id.* at 2.

130410256

right-of-way is needed.³ Any alternative to this proposed Rebuild Project would, according to Dominion, require the addition of new 500 kV facilities in a new right-of-way with additional costs and impacts.⁴

Dominion anticipates an in-service date of December 31, 2021, for the proposed Rebuild Project, subject to Commission approval and outage scheduling.⁵ Dominion estimates the conceptual cost of the proposed Rebuild Project (both Virginia and West Virginia portions) to be \$288.2 million, including approximately \$255.9 million for transmission-related work and approximately \$32.3 million for substation-related work (2019 dollars).⁶

As provided by § 62.1-44.15:21 D 2 of the Code, the Commission and the State Water Control Board must consult on wetland impacts prior to the siting of electric utility facilities that require a certificate of public convenience and necessity. As required by Section 3 of the Department of Environmental Quality - State Corporation Commission Memorandum of Agreement Regarding Wetland Impacts Consultation, the Staff of the Commission ("Staff") has advised the Department of Environmental Quality ("DEQ"), acting on behalf of the State Water Control Board, that the Company filed its Application and that consultation may be required.⁷

In addition to consultation on wetlands, § 56-46.1 G of the Code directs the Commission and DEQ to coordinate the environmental review of proposed electric facilities. Moreover,

³ *Id.* at 4.

⁴ *Id.*

⁵ *Id.* at 3.

⁶ *Id.*

⁷ Letter from Alisson P. Klaiber, Esquire, State Corporation Commission, dated April 2, 2019, to David L. Davis, CPWD, PWS, Director, Office of Wetlands & Stream Protection, Department of Environmental Quality, filed in Case No. PUR-2019-00049.

§ 56-46.1 A of the Code provides for the Commission to receive and to consider reports on the proposed facilities from state environmental agencies. Accordingly, the Staff has requested DEQ to coordinate an environmental review of the Rebuild Project by the appropriate agencies and to provide a report on the review.⁸

NOW THE COMMISSION, upon consideration of the Application and applicable statutes, finds that: this matter should be docketed; Dominion should give notice of its Application to interested persons and the public; a public hearing should be scheduled for the purpose of receiving testimony and evidence on the Application; interested persons and the public should have an opportunity to file comments on the Application or participate as respondents in this proceeding; and the Staff should be directed to investigate the Application and file testimony and exhibits containing its findings and recommendations thereon. We further find that a Hearing Examiner should be appointed to conduct further proceedings in this matter on behalf of the Commission and to file a final report.

Accordingly, IT IS ORDERED THAT:

- (1) This matter is docketed and assigned Case No. PUR-2019-00049.
- (2) As provided by § 12.1-31 of the Code and 5 VAC 5-20-120, *Procedure before Hearing Examiners*, of the Commission's Rules of Practice and Procedure ("Rules of Practice"),⁹ a Hearing Examiner is appointed to conduct further proceedings in this matter on behalf of the Commission and to file a final report.

⁸ Letter from Alisson P. Klaiber, Esquire, State Corporation Commission, dated April 2, 2019, to Bettina Rayfield, Department of Environmental Quality, filed in Case No. PUR-2019-00049.

⁹ 5 VAC 5-20-10 *et seq.*

(3) A public evidentiary hearing on the Application shall be convened on July 30, 2019, at 10 a.m., in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, to receive the testimony of public witnesses and the evidence of the Company, any respondents, and the Staff. Any person desiring to offer testimony as a public witness at this evidentiary hearing should appear in the Commission's courtroom fifteen (15) minutes prior to the starting time of the hearing and identify himself or herself to the Commission's Bailiff.

(4) A copy of the Application may be obtained by submitting a written request to counsel for the Company, David J. DePippo, Esquire, Dominion Energy Services, Inc., 120 Tredegar Street, Richmond, Virginia 23219. If acceptable to the requesting party, the Company may provide the documents by electronic means. Copies of the public version of all documents also shall be available for interested persons to review in the Commission's Document Control Center, located on the first floor of the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, between the hours of 8:15 a.m. and 5 p.m., Monday through Friday, excluding holidays. Interested persons also may download unofficial copies from the Commission's website: <http://www.scc.virginia.gov/case>.

(5) On or before May 7, 2019, the Company shall cause to be sent by first class mail a copy of the notice and sketch map prescribed in Ordering Paragraph (6) to all owners, as of the date of this Order, of property within the route of the proposed line, as indicated on the map or sketch of the route filed with the Commission, which requirement shall be satisfied by mailing to such persons at such addresses as are indicated in the land books maintained by the commissioner of revenue, director of finance, treasurer, or other officer of the county or municipality designated as provided by § 58.1-3100 *et seq.* of the Code.

(6) On or before May 7, 2019, the Company shall publish in two (2) successive weeks the sketch map of the proposed route, as shown in Attachment V.A.1 to the Application, and the following notice as display advertising (not classified) in a newspaper or newspapers of general circulation in Augusta County, Virginia, and Rockingham County, Virginia:

NOTICE TO THE PUBLIC OF
AN APPLICATION BY VIRGINIA ELECTRIC AND POWER
COMPANY FOR APPROVAL AND CERTIFICATION OF
MT. STORM-VALLEY LINE #550 500 kV TRANSMISSION
LINE REBUILD PURSUANT TO TITLE 56 OF THE CODE OF
VIRGINIA
CASE NO. PUR-2019-00049

On April 1, 2019, pursuant to Virginia Code ("Code") § 56-46.1 and the Utility Facilities Act, Code § 56-265.1 *et seq.*, Virginia Electric and Power Company ("Dominion" or "Company") filed an application and supporting documents for approval and certification of electric facilities ("Application") with the Virginia State Corporation Commission ("Commission").

Through its Application, Dominion seeks to rebuild, entirely within its existing right-of-way, approximately 64.5 miles of its existing Mt. Storm-Valley 500 kilovolt ("kV") Line #550, of which 30.9 miles are located in the Commonwealth of Virginia (in Augusta and Rockingham counties) with the remaining portion of the line located in West Virginia (collectively, "Rebuild Project").

Dominion asserts that the proposed Rebuild Project is necessary to maintain the structural integrity and reliability of its transmission system and to provide reliable electric service to its customers in the area. Dominion considered no alternatives to the proposed Rebuild Project because the existing corridor is adequate to construct the proposed Rebuild Project and no new right-of-way is needed. Any alternative to this proposed Rebuild Project would, according to Dominion, require the addition of new 500 kV facilities in a new right-of-way with additional costs and impacts.

Dominion anticipates an in-service date for the proposed Rebuild Project of December 31, 2021, subject to Commission approval and outage scheduling. Dominion estimates the conceptual cost of the proposed Rebuild Project (both Virginia and West Virginia portions) to be \$288.2 million, including approximately \$255.9 million for transmission-related work and

approximately \$32.3 million for substation-related work (2019 dollars).

Description of the Proposed Rebuild Project

The Virginia segment of the proposed route for the proposed Rebuild Project is approximately 30.9 miles of existing transmission line corridor currently occupied by the existing 500 kV Line #550. From the Valley Substation in Augusta County, the route heads generally northwest from the Valley Substation property for approximately three miles and continues northwest into Rockingham County. The line generally continues in a north-northwesterly direction for approximately 11 miles before entering the George Washington National Forest. The line continues in a northwesterly direction in the Forest for approximately 16.7 miles before entering into West Virginia.

Line #550 crosses the following roads (South to North) in Rockingham County: Warm Springs Pike (Route 42 Scenic Byway), Gardner Lane, Spring Creek Road (Route 727), Thomas Spring Road (Route 748), Beaver Creek Road (Route 752), Ottobine Road (Route 257), Honey Run Road, Lumber Mill Road (Route 734), Slab Road, W Dry River Road (Route 738), Shores Hill Road (Route 739), Clover Hill Road (Route 613), Coopers Mountain Road (Route 732), Rawley Pike (Route 33), Peake Mountain Road (Route 612) then enters the George Washington National Forest where it crosses Second Mountain Trail, Long Run Road, Vepco Road, German River Road, Gochenour Lane, and Cow Knob Road.

Line #550 crosses the following roads (South to North) in Augusta County: Summit Church Road (Route 690), Wise Hollow Road (Route 698), and Centerville Road (Route 699).

All distances and directions are approximate. A sketch map of the proposed route accompanies this notice. A more detailed map of the proposed route may be viewed on the Commission's website:
<http://www.scc.virginia.gov/pur/elec/transline.aspx>.

The Commission may consider a route not significantly different from the route described in this notice without additional notice to the public.

A more complete description of the proposed Project may be found in the Company's Application.

The Commission entered an Order for Notice and Hearing in this proceeding that, among other things, scheduled a public evidentiary hearing to be held on July 30, 2019, at 10 a.m., in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, to receive testimony from members of the public and evidence related to the Application from the Company, any respondents, and the Commission's Staff. Any person desiring to testify as a public witness at this hearing should appear fifteen (15) minutes prior to the starting time of the hearing and contact the Commission's Bailiff.

Copies of the public version of the Application and documents filed in this case also are available for interested persons to review in the Commission's Document Control Center, located on the first floor of the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, between the hours of 8:15 a.m. and 5 p.m., Monday through Friday, excluding holidays. Interested persons also may download unofficial copies from the Commission's website: <http://www.scc.virginia.gov/case>.

Copies of the Application and other supporting materials also may be inspected during regular business hours at the following locations:

Attn. Stefan Brooks
 Dominion Energy Virginia
 10900 Nuckols Road
 Suite 400
 Glen Allen, Virginia 23060

Augusta County Government Center
 18 Government Center Lane
 Verona, Virginia 24482

Rockingham County Government Center
 20 East Gay Street
 Harrisonburg, Virginia 22802

Copies of the public version of the Application may be obtained by submitting a written request to counsel for the Company, David J. DePippo, Esquire, Dominion Energy Services, Inc., 120 Tredegar Street, Richmond, Virginia 23219. If acceptable to the requesting party, the Company may provide the documents by electronic means.

Any person or entity may participate as a respondent in this proceeding by filing, on or before June 4, 2019, a notice of participation. If not filed electronically, an original and fifteen (15) copies of the notice of participation shall be submitted to Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. A copy of the notice of participation as a respondent also shall be sent to counsel for the Company at the address set forth above. Pursuant to Rule 5 VAC 5-20-80 B, *Participation as a respondent*, of the Commission's Rules of Practice and Procedure ("Rules of Practice"), any notice of participation shall set forth: (i) a precise statement of the interest of the respondent; (ii) a statement of the specific action sought to the extent then known; and (iii) the factual and legal basis for the action. All filings shall refer to Case No. PUR-2019-00049. Interested persons should obtain a copy of the Commission's Order for Notice and Hearing for further details on participation as a respondent.

On or before July 23, 2019, any interested person wishing to comment on the Company's Application shall file written comments on the Application with the Clerk of the Commission at the address set forth above. Any interested person desiring to file comments electronically may do so on or before July 23, 2019, by following the instructions on the Commission's website: <http://www.scc.virginia.gov/case>. Compact discs or any other form of electronic storage medium may not be filed with the comments. All comments shall refer to Case No. PUR-2019-00049.

All documents filed in the Office of the Clerk of the Commission in this docket may use both sides of the paper. In all other respects, all filings shall comply fully with the requirements of 5 VAC 5-20-150, *Copies and Format*, of the Commission's Rules of Practice.

The Commission's Rules of Practice may be viewed at <http://www.scc.virginia.gov/case>. A printed copy of the Commission's Rules of Practice and an official copy of the Commission's Order for Notice and Hearing in this proceeding may be obtained by the Clerk of the Commission at the address set forth above.

VIRGINIA ELECTRIC AND POWER COMPANY

(7) On or before May 7, 2019, the Company shall serve a copy of this Order for Notice and Hearing on the following officials, to the extent the position exists in Augusta County and

Rockingham County: the chairman of the board of supervisors; the mayor or manager (or equivalent official); and the county, city, or town attorney. Service shall be made by either personal delivery or first-class mail to the customary place of business or residence of the person served.¹⁰

(8) On or before May 21, 2019, the Company shall file proof of the notice and service required by Ordering Paragraphs (6) and (7), including the name, title, and address of each official served with Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118.

(9) On or before May 21, 2019, the Company shall file with the Clerk of the Commission at the address set forth in Ordering Paragraph (8) a certificate of mailing of the notice to owners of property prescribed by Ordering Paragraph (5). The certificate shall not include the names and addresses of the owners of property served, but the Company shall maintain a record of this information.

(10) On or before July 23, 2019, any interested person may file written comments on the Application with the Clerk of the Commission at the address set forth in Ordering Paragraph (8). Any interested person desiring to submit comments electronically may do so on or before July 23, 2019, by following the instructions found on the Commission's website: <http://www.scc.virginia.gov/case>. Compact discs or any other form of electronic storage medium may not be filed with the comments. All comments shall refer to Case No. PUR-2019-00049.

¹⁰ Service may also be made electronically if a locality has submitted a written request to the Company for electronic service, pursuant to the Commission's April 19, 2016 Order in Case No. PUE-2016-00039. *See Petition of Virginia Electric and Power Company, For a continuing waiver of 20 VAC-5-201-10 J of the Rules Governing Utility Rate Applications and Annual Informational Filings to permit electronic service to local officials upon request*, Case No. PUE-2016-00039, Doc. Con. Cen. No. 160420194, Order (Apr. 19, 2016).

(11) Any person or entity may participate as a respondent in this proceeding by filing a notice of participation on or before June 4, 2019. If not filed electronically, an original and fifteen (15) copies of the notice of participation shall be submitted to the Clerk of the Commission at the address set forth in Ordering Paragraph (8), and the respondent shall serve a copy of the notice of participation on counsel to the Company at the address in Ordering Paragraph (4). Pursuant to Rule 5 VAC 5-20-80 B, *Participation as a respondent*, of the Commission's Rules of Practice, any notice of participation shall set forth: (i) a precise statement of the interest of the respondent; (ii) a statement of the specific action sought to the extent then known; and (iii) the factual and legal basis for the action. Any organization, corporation, or government body participating as a respondent must be represented by counsel as required by 5 VAC 5-20-30, *Counsel*, of the Rules of Practice. All filings shall refer to Case No. PUR-2019-00049.

(12) On or before June 18, 2019, each respondent may file with the Clerk of the Commission, and serve on the Staff, the Company, and all other respondents, any testimony and exhibits by which the respondent expects to establish its case, and each witness's testimony shall include a summary not to exceed one page. If not filed electronically, an original and fifteen (15) copies of such testimony and exhibits shall be submitted to the Clerk of the Commission at the address set forth in Ordering Paragraph (8). In all filings, the respondent shall comply with the Commission's Rules of Practice, including 5 VAC 5-20-140, *Filing and service*, and 5 VAC 5-20-240, *Prepared testimony and exhibits*. All filings shall refer to Case No. PUR-2019-00049.

(13) Within five (5) business days of receipt of a notice of participation as a respondent, the Company shall serve upon such respondent a copy of this Order for Notice and Hearing, a

copy of the public version of the Application, and all materials filed by the Company with the Commission unless these materials already have been provided to the respondent.

(14) The Staff shall investigate the Application. On or before July 2, 2019, the Staff shall file with the Clerk of the Commission an original and fifteen (15) copies of a Staff Report containing its findings and recommendations. The Staff shall serve a copy thereof on counsel to the Company and all respondents.

(15) On or before July 16, 2019, the Company may file with the Clerk of the Commission any rebuttal testimony and exhibits that it expects to offer, and each rebuttal witness's testimony shall include a summary not to exceed one page. The Company simultaneously shall serve a copy on the Staff and all respondents. If not filed electronically, an original and fifteen (15) copies of such rebuttal testimony and exhibits shall be submitted to the Clerk of the Commission at the address set forth in Ordering Paragraph (8).

(16) All documents filed in the Office of the Clerk of the Commission in this docket may use both sides of the paper. In all other respects, all filings shall comply fully with the requirements of 5 VAC 5-20-150, *Copies and Format*, of the Commission's Rules of Practice.

(17) The Commission's Rule of Practice 5 VAC 5-20-260, *Interrogatories or requests for production of documents and things*, shall be modified for this proceeding as follows: Responses and objections to written interrogatories and requests for production of documents shall be served within seven (7) calendar days after receipt of the same. In addition to the service requirements of Rule of Practice 5 VAC 5-20-260, *Interrogatories or requests for production of documents and things*, on the day that copies are filed with the Clerk of the Commission, a copy of the interrogatory or request for production shall be served electronically, or by facsimile, on the party to whom the interrogatory or request for production is directed or the assigned Staff attorney, if the

interrogatory or request for production is directed to Staff.¹¹ Except as modified above, discovery shall be in accordance with Part IV of the Commission's Rules of Practice, 5 VAC 5-20-240 *et seq.*

(18) This matter is continued.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to:

David J. DePippo, Esquire, Dominion Energy Services, Inc., 120 Tredegar Street, Richmond, Virginia 23219; Vishwa B. Link, Esquire, Lisa R. Crabtree, Esquire, and Andrea D. Gardner, Esquire, McGuire Woods LLP, Gateway Plaza, 800 E. Canal Street, Richmond, Virginia 23219; and C. Meade Browder, Jr., Senior Assistant Attorney General, Division of Consumer Counsel, Office of the Attorney General, 202 North 9th Street, 8th Floor, Richmond, Virginia 23219. A copy also shall be delivered to the Commission's Office of General Counsel and Divisions of Public Utility Regulation and Utility Accounting and Finance.

¹¹ The assigned Staff attorney is identified on the Commission's website, <http://www.scc.virginia.gov/case>, by clicking "Docket Search," and clicking "Search Cases," and entering the case number, PUR-2019-00049, in the appropriate box.